THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES A.JD PENSIONS AND THE MINISTER OF STATE IN THE MINISTR/ OF HOME AFFAIRS (SHRI Y. CHI-DAMBARAM): (a) Yes, Sir.

(b) Appropriate steps hava been teken in this regard.

(c) A police patrolling par.;,- was attacked by som_e terrorise with remote etontrol bombs i.i M_t>jitha near Amritsar. Two PHG jawans were killed and on_e Asstt. Sub-Inspe-tov and two PHG jawans were injured. One police jeep was also damaged.

Counter-trade with Bofors

2407. SHRI KAILASH PATI MISHRA: SHRI ATAL BIHARI VAJPAYEE:

Will the Minister of COMMERCE be pleased to state:

(a) whether the counter-tra J_e with Bofors was discussed at a_n early stage of the contract, so as to know from different parties as t_0 who offered the best package to India, or it was discussed at a very late stage when th_e negotiations for the contract had been practically completed; and

, (b) if discussed at $_a$ late stage, what are the reasons for which all possible other parties were not expired at an early stage so as to hsve th_e best Dackage in India's interest and what have been the consequences of such an exploration ha /ing not been made?

THE MINISTER OF STATE IN, THE MINISTRY OF COMMERCE? (SHRI P. R. DAS MUNSHI): (a) and (b) Counter-$trad_e$ package was sought immediately on commencement of technical and commercial - nagotiation in December, 19^5 with the two short listed firms. The counter-trade package, considered better was aceepted.

Malpractices by Non-resident Indians ln collusion with Banks

2408. SHRI KAILASH PATI MISHRA: SHRI ATAL BIHARI VAJPAYEE: SHRI KRISHNA KUMAR BIRLA:

Will the Minister of FINANCE be pleased t_0 state:

(a) whether Government';, attention has been drawn to a renort published in the Indian Express dated the 14th January, 1989 stating that many leading international banks and also, overseas branches of soma of the Government owned Indian banks in collusion with some 'syndicates' of powerful non-resident Indians, are pocketing and sharing around Rs. 130 crore every year fro-n th-j Government offel|Bd 1.5 to 2 percent higher interest over the rate prevailing in th_e international market under the two schemes; i.e. Foreign Currency Non-Resident Deposits and Non-Resident Rupee Account;

(b) if so, what are the facts ip this regard and steps taken to stop this differential interest out-flow through the above mentioned collusiiir, and

(c) whether about 80 percent of the funds in these schemes are held by a few high-value accounts, which can put Government to ransom by sudden with-drawals; if so, what precautionary steps hav_e been taken in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) During 1985, som_e irregularities i_n this regard were brought to the notice of the Reserve Bank of Tndia. Accordingly RBI have already issued instructions to all Indian banks having foreign branches and foreign banks operating in India i_n thi_s regard.

(c) No, Sir.

Nomination of firms by Bofors for counter-trade with India

2409. SHRI KAILASH PATI MISHRA: SHRI ATAL BIHARI VAJPAYEE;

Will the Minister of COMMERCE be pleased to state;

(a) the names of the firms nominated by Bofors for counter-trade with India;

(b) the names of the items exported/proposed to be exported by each one of them separately;

(c) the value of the export as yet in the case of each item; and

(d) whether each of the item exported as yet is an addition in India's traditional export or some of it is merely a diversion through Bofors nominated intermediaries and in such diversion cases, what has been the extra commission and service charges?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRl P. R. DAS MUNSHI); (a) A Statement, is attached as Statement I. (See below).

(b) and (c) A Statement is attached as Statement II. (See below).

(d) Items exported conform to the additionality criteria agreed between State Trading Corporation of India and M/s. Bofors for export from India.

Statement-I

Lhit of nominees as on 15-2-1989 *under the Memorandum of Understanding between State Trading Corporation of India and Bofors*

S. No. Name

1. AB Bofors with subsidiaries and subcontractors
2. Nobel Industries of Sweden with subsidiaries
3. Carnegie with subsidiaries
4. SAAB Scania with subsidiaries
5. Swedish Government Purchasing agencies
6. A B Elof Hansson
7. Alexander crichton
8. Boc Brasta A B
9. Mantra International
10. Linum A B
11. G. L. Beijer Import & Export A B
12. Smith & Stensson A B
13. Kayelab
14. A B Sukab
15. Hab Mercator
16. Barex World Trade A B
17. Temu Inter Actor A B
18. Fond Metall
19. Scanind Trade Development K B
20. Andre & CIE
21. Helm A G
22. Goldman Trading Subsidiary
23. Bank of America World Trade
24. Centro Bank

Statement-II

List *of Items exported and value thereof*

ITEM	(Value in Rs. crores)
1. Chemicals & Pharmaceuticals	33.86
2. Cashew Kernel	9.85
3. Black Pepper	5.31
4. Cardamom	0.05
5. Tobacco	4.53
6. Guargum	3.13
7. Jute goods	1.38
8. Terry Towels	0.03
9. Cotton/Polyester Yarn	0.27
10. Hand Tools	0.20